

To: Distribution List

From: State of California,
Natural Resources Agency

Date: June 21, 2010

Re: Notice of Preparation (NOP) of a Draft Environmental Impact
Statement/Environmental Impact Report (EIS/EIR)

Project: Proposed Salton Sea Species Conservation Habitat (SCH) Project
Riverside and Imperial Counties, California

The California Natural Resources Agency is the Lead Agency for preparation of the Salton Sea SCH Project EIR in accordance with the California Environmental Quality Act (CEQA). Because the SCH Project (Project) involves both State and Federal actions, a joint EIS/EIR will be prepared by DFG, under the direction of the Natural Resources Agency, and the U.S. Army Corps of Engineers (Corps) pursuant to CEQA and the National Environmental Policy Act (NEPA). The joint document is being prepared to optimize efficiency and avoid duplication and is intended to be sufficient in scope to address both the Federal and State requirements. A summary of the SCH Project is included as Attachment A.

For the purposes of the EIS/EIR, the State actions are the implementation of conservation measures necessary to protect the fish and wildlife species dependent on the Salton Sea in accordance with California Fish and Game Code, Section 2932, and the potential issuance of incidental take authorization under the California Endangered Species Act (CESA) California, Section 2081, and a Streambed Alteration Agreement under California Fish and Game Code, Section 1602. The primary Federal action is the potential issuance of a permit under Section 404 of the Clean Water Act, which regulates the discharge of dredged, excavated, or fill material in wetlands, streams, rivers, and other U.S. waters.

We request the views of interested parties as to the scope and content of the environmental documentation, including issues that are of interest to an agency's statutory responsibilities in connection with the SCH Project. Agencies may need to use the EIS/EIR when considering permit(s) or other approval(s) for the Project. An Initial Study was not prepared because the Natural Resources Agency has already determined that a joint EIS/EIR is required (CEQA Guidelines, Section 15063(a)).

Due to time limits mandated by State law, your response must be sent at the earliest possible date, but not later than 30 days after receipt of this notice. Please send responses to Ms. Kimberly Nicol, DFG Program Manager, at 78078 Country Club Drive, Suite 109, Bermuda Dunes, CA 92203, or at knicol@dfg.ca.gov; alternatively, they can be sent to U.S. Army Corps of Engineers, Los Angeles District, Regulatory Division, San Diego Field Office, ATTN: CESPL-RG-SS-2010-00142-LLC, 6010 Hidden Valley Road, Suite 105, Carlsbad, CA 92011, or lanika.l.cervantes@usace.army.mil. If you have questions, please contact Ms. Nicol at (760) 200-9178 or Ms. Lanika Cervantes, Corps Project Manager, at (760) 602-4838. Comment letters sent via electronic mail should include the commenter's name and physical mailing

address, and the Project title, %Species Conservation Habitat Project+should be included in the electronic mail's subject line.

Scoping meetings will be held to obtain input to the Draft EIS/EIR, and a public hearing will be held during the public comment period once the Draft EIS/EIR is released. Parties interested in being added to the electronic mail notification list for the SCH Project can register at: <http://www.spl.usace.army.mil/regulatory/> under the Public Notice tab, Distribution List registration. This list will be used in the future to notify the public about scheduled hearings and availability of future public notices. Parties interested in obtaining additional information about the SCH Project can also visit the Natural Resources Agency website at http://resources.ca.gov/restoring_the_salton_sea.html.

The Natural Resources Agency and the Corps will jointly conduct public scoping meetings at the following locations to receive public comment and assess public concerns regarding the appropriate scope of the Draft EIS/EIR.

Community	Location/Address	Date	Time
Palm Desert	University of California at Riverside, Room B200 75-080 Frank Sinatra Drive	July 07, 2010	1:00 P.M.
Thermal	Torrez Martinez, Tribal Administration Building 66-725 Martinez St.	July 07, 2010	6:30 PM
Calipatria	Calipatria Inn and Suites 700 North Sorenson Avenue	July 08, 2010	1:00 P.M.
Brawley	Elks Lodge #1420, 161 South Plaza	July 08, 2010	6:30 PM

Attachment A

1.0 Description of the Project

Overview

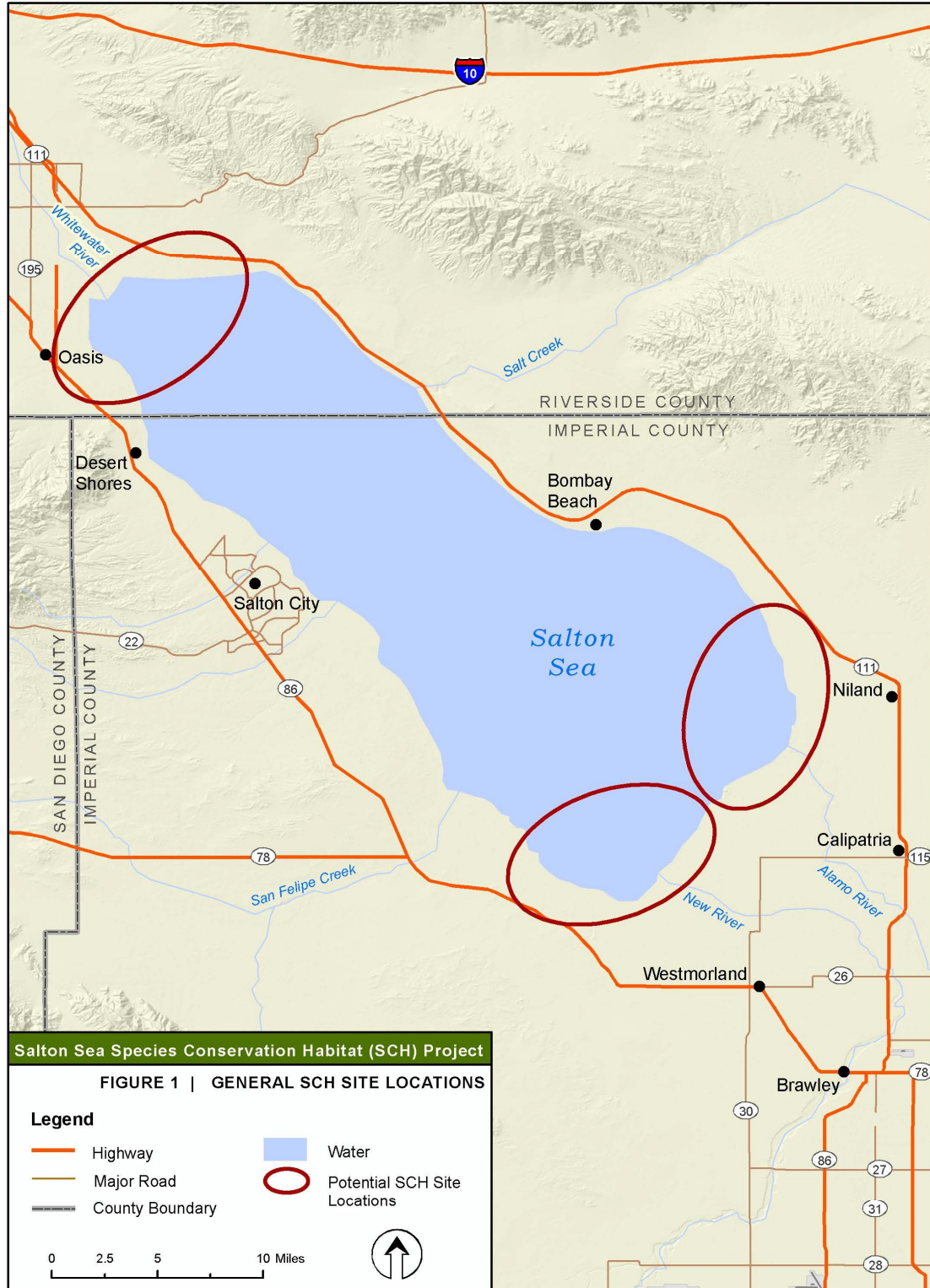
The SCH Project would construct habitat configured in a series of interconnected shallow ponds within the current footprint of the Salton Sea. The Project size at total build-out is currently expected to be approximately 2,400 acres, which may be constructed over a period of several years depending on land availability and cost. The actual total project size may vary depending on the outcome of the alternatives development process. The Project's ponds would be created as the Sea recedes by constructing dikes below the elevation of -228 feet mean sea level (msl) using material excavated from the sea bed. Rivers, which have better water quality than agricultural drain water, would provide the primary source of water for the ponds. Habitat ponds would vary in size, and several ponds could be constructed in each phase depending on land availability. Habitat would continue to be constructed in subsequent years as the Sea continues to recede until the targeted acreage of habitat was reached. Preliminary evaluations of potential siting areas indicate that ponds could be constructed at either the north or south ends of the Salton Sea, or in both areas. Figure 1 shows generalized locations of where the SCH Project could be constructed. The habitat would be designed with varying ranges of salinity in order to maximize biological productivity and minimize adverse effects associated with water quality. Ponds would be designed to optimize fish habitat and maximize fish productivity to provide a sustainable prey base for fish-eating birds. Ponds could also be managed to optimize invertebrate production to enhance the prey base for shorebirds and wading birds. The Project is being developed as a proof-of-concept project with construction planned beginning in late 2011 or early 2012.

Project Purpose, Goals, and Objectives

The SCH Project is being developed as a conservation measure for the protection of the fish and wildlife species dependent on the Salton Sea in accordance with California Fish and Game Code, Section 2932. As the Sea recedes and becomes more saline, fish species will not be able to survive. Simultaneously, the fish-eating birds, including several species of special concern, will lose their forage base and begin to disappear. As the Sea continues to become more saline, current invertebrate species will become less diverse and be replaced by species tolerant of hyper-saline environments (e.g., brine flies and brine shrimp).

The Project goals and the objectives are as follows:

Goal 1	Develop a range of aquatic habitats that will support fish and wildlife species dependent on the Salton Sea
Objectives	Provide adequate foraging habitat for piscivorous (fish-eating) bird species
	Develop habitats required to support piscivorous bird species
	Support a sustainable, productive aquatic community
	Provide suitable water quality for fish
	Minimize adverse effects to desert pupfish
	Minimize risk of selenium
	Minimize risk of disease/toxicity impacts



Goal 2	Develop and refine information needed to successfully manage the SCH Project habitat through an adaptive management process
Objectives	Identify uncertainties in achieving the objectives
	Design science-based means to test alternatives and reduce uncertainty
	Develop and implement a monitoring plan
	Develop a decision-making framework
	Provide proof of concept for future restoration

The SCH Project would provide habitat for both fish and invertebrate species, which in turn would provide forage for the numerous bird species dependent on the Salton Sea ecosystem. Salinity would be managed to support various assemblages of invertebrates and fish to diversify the prey base for as wide a variety of bird species as possible. The SCH ponds would be designed to serve those piscivorous bird species that would experience significant declines if the amount of Salton Sea habitat were substantially reduced. For many of these species, a significant proportion of their population uses the Salton Sea. Examples of those focal species that the SCH ponds would support are American white pelican, black skimmer, Caspian tern, and double-crested cormorant. If the amount of habitat used by these species at the Sea were substantially reduced, some individuals could use other habitats in the region up to their capacity, but it is unlikely that all of the piscivorous birds using the Salton Sea could find suitable habitat elsewhere.

The SCH ponds would also benefit other bird species, such as the eared grebe, gull-billed tern, western snowy plover, ruddy duck, black tern, and California brown pelican. These species are either not piscivorous (i.e., invertebrate prey is easier to support than fish) and/or only a small proportion of their population depends on the Salton Sea. There are also some subspecies or population segments that would likely use the created habitats as well, such as the least tern (interior subspecies of the California least tern or Mexican least tern, whichever is present at the Salton Sea) and Baja population of the California brown pelican which uses the Salton Sea as a post-breeding site. While the SCH ponds would provide ancillary benefits for these species, they are not the principal species served by the SCH Project, and therefore, their habitat needs would not be criteria for design.

Fish currently existing in the Salton Sea or tributaries are the likely candidates for establishment in the SCH ponds. The ponds would not likely provide suitable habitat for the marine species (orangemouth corvina, gulf croaker, and sargo) previously found in the Salton Sea. Tilapia are currently found in large numbers in the Sea, and would likely be the species providing the primary forage base in the ponds for fish eating birds. Since a primary purpose of the ponds is to provide habitat for fish as forage for birds, the ponds would be managed to maximize fish productivity. However, it is likely that desert pupfish would also become established in the ponds, and management implications would be addressed through consultation with appropriate jurisdictional agencies.

Key Project Components

Depth of water in the ponds is dependent on the slope of the sea bed, but could range up to approximately 6 feet, depending on the areas available for development as the surface water elevation declines. Deeper areas could be created by excavating materials from within the ponds for construction of the dikes or islands. The dike separating adjacent ponds at similar

elevations could also be modified to form larger ponds in the future, with portions of the original dike left intact to form islands.

A sedimentation basin could be constructed on lands above elevation -228 msl, or the first SCH pond could function as a sedimentation basin in addition to providing habitat. The first pond may need to be drained periodically for vegetation management and sediment removal; triggers for such actions will be developed as part of the adaptive management plan. Water discharged from the first pond would flow into other ponds, and from there into further ponds.

A variety of methods for managing salinity will be thoroughly evaluated in the EIS/EIR. Several methods are currently under consideration, although additional methods may be identified as part of the scoping process and as a result of special studies that are underway. The methods currently being considered include evapo-concentration of salts, which would result in higher salinity in each subsequent pond, until the maximum salinity suitable for optimal biological productivity was achieved. Once the maximum desired salinity was achieved, the next phase of ponds could again initially be supplied by river water. Saline water from the earlier ponds could be blended with river water to obtain targeted salinities in some of the newer ponds. If not needed for blending in the next phase of ponds, saline water from the ponds would discharge to the much more saline Salton Sea. This process would result in a mix of salinities throughout the SCH complex, with salinities being managed by balancing river inflow, evaporation, and discharge. Interspersing ponds with freshwater amongst the more saline ponds would provide a drinking water source for birds, especially young birds unable to fly. Higher salinities in the initial ponds, if needed, also could be achieved by temporarily blending diverted river water with saline water pumped from the Salton Sea. If necessary, temporary pumping could also be used to initially achieve the targeted salinities in the subsequent phases of ponds, but longer-term salinity management would be maintained by balancing inflows, evaporation, and discharge. If additional salt water were needed in future years to maintain salinity, saline water from the higher salinity ponds could be recirculated to the lower salinity ponds.

Siting ponds adjacent to the confluence of the New, Alamo, or Whitewater rivers and the Salton Sea would minimize the need for conveyance facilities to transport freshwater from these rivers to the ponds. Water flow from the rivers and between the ponds could be controlled with valves to be able to respond to varying evaporation or seepage rates and to allow changes in operations to modify salinity or water depth goals. The precise method of conveying water will be evaluated as part of the engineering design and environmental review process.

Monitoring and evaluation would commence upon completion of the ponds in the first year and would continue thereafter. A monitoring and adaptive management plan would be implemented to monitor and evaluate biological and water quality parameters, habitat function, and engineering performance of the SCH Project. Information obtained from monitoring and evaluation would be used to refine the engineering design, wildlife management criteria, and adaptive strategies for continued development of the SCH Project. Adaptive and flexible strategies would reduce the risks and uncertainties associated with operating larger complexes and facilitate managing or mitigating observed issues and problems.

2.0 Other Involved Agencies

The Natural Resources Agency and the Corps are developing the SCH Project in close coordination with other agencies, including the Department of Water Resources, DFG, the State Air Resources Board, and the State Water Resources Control Board. The following permits, approvals, and consultations are expected to be required: Clean Water Act section 404

permit/section 401 water quality certification; Endangered Species Act section 7 consultation; National Historic Preservation Act section 106 consultation; CESA section 2081 incidental take authorization; California Fish and Game Code section 1602, Streambed Alteration Agreement; and air quality permits.

3.0 Project Alternatives

Alternatives initially being considered for the SCH Project include the following: (a) alternative locations (at the confluence of the New, Alamo, or Whitewater rivers and the Salton Sea, or a combination of sites); (b) different acreages of created habitat; (c) different pond sizes and configurations; (d) different ranges of salinity; and (e) no project. The range and characteristics of the alternatives addressed in the EIS/EIR will be further developed based on input from the scoping process and special studies that are underway.

4.0 Probable Environmental Effects of the Project

The Draft EIS/EIR will evaluate the full spectrum of resources potentially affected by the SCH Project. Although additional issues may be identified during the scoping process, issues initially identified as probable environmental effects include:

Agricultural Resources

- Potential conversion of farmland to non-agricultural use.
- Dust from construction.
- Potential zoning conflicts if the Project were implemented on lands zoned for agricultural use.

Air Quality

- Potential exceedance of emissions thresholds from equipment, vehicle traffic, and soil disturbance during construction, operations, and maintenance.
- Beneficial impact on fugitive dust from covering exposed playa with water.
- Potential odors emanating from the ponds, fish kills in the ponds, or bird die-offs.

Biological Resources

- Potential effects on fish and wildlife during construction, operations, and maintenance, such as disruptions from noise and human activity, mortality, effects on nesting birds, and risks to avian and aquatic species and habitat due to selenium and other water quality constituents.
- Potential effects on desert pupfish and other special status species during construction, operations, and maintenance, including mortality, water quality effects, disturbance effects, and effects on movement corridors.
- Removal or degradation of habitat, including riparian vegetation, mudflats, and section 404 and State jurisdictional wetlands.
- Potential for disease (e.g., avian botulism and cholera) and toxicity effects (e.g., from selenium, algal toxins).

Cultural Resources

- Potential for destruction or disturbance of archaeological resources, human remains, and sacred sites activities.

Environmental Justice

- Potential effects on the Torres Martinez Desert Cahuilla Indian Tribe and other local communities from construction, operations, and maintenance activities.

Geology and Soils

- Increased erosion and sedimentation during construction, operations, and maintenance.
- Potential collapse of berms from seismic events, flooding surrounding areas.

Greenhouse Gas Emissions/Climate Change

- Generation of greenhouse gas emissions from equipment and worker vehicles during construction, operations, and maintenance.

Hazards and Hazardous Materials

- Potential accidental release of hazardous materials (e.g., diesel fuel, lubricants) during construction, maintenance, and operations.
- Potential exposure of workers and the public (if public access is allowed) to unexploded ordnance.
- Potential increase in mosquito vectors from standing water.

Hydrology and Water Quality

- Increased erosion and sedimentation in the Salton Sea, nearby rivers, and canals during construction, operations, and maintenance.
- Inadvertent release of hazardous materials into water during construction, construction, operations, and maintenance.
- Changes in water quality of the ponds, including resuspension or dissolution of salts and selenium, seasonal increases or decreases in water temperature, reduced levels of dissolved oxygen, and high concentrations of nutrients.
- Potential reduced freshwater inflow into the Salton Sea, resulting in decreased surface water elevation and increased rate of salination.
- Reduced downstream river flows due to water diversion for ponds.

Indian Trust Assets

- Effects on Torres Martinez Tribe's trust assets from development of the sites near the Whitewater River.

Land Use

- Potential conflicts with other existing or planned land uses and local plans, policies, and ordinances.

Noise

- Noise increases during construction, operations, and maintenance.

Paleontological Resources

- Destruction or alteration of paleontological resources from ground-disturbing activities.

Transportation and Traffic

- Increased traffic during construction, operations, and maintenance.

5.0 Schedule

The joint lead agencies expect the Draft EIS/EIR to be made available to the public by early 2011.